

IN RE MASONITE CORPORATION

PSD Appeal No. 94-1

***ORDER DENYING REVIEW IN PART
AND REMANDING IN PART***

Decided November 1, 1994

Syllabus

Citizens for a Healthy Ukiah ("CHU") seeks review of U.S. EPA Region IX's decision to issue a PSD permit to Masonite Corporation for after-the-fact approval of the modification of Masonite's "hardboard" panelling and siding manufacturing facility in Ukiah, California. The facility was modified in 1989 and 1990 to produce a new product line called the "Molded Products Line" ("MPL"), which began operating in 1990. For purposes of its BACT review, the Region divided the MPL process into two parts - the Press Line and the Grain Line - and performed a separate BACT analysis for each. CHU raises the following issues in its petition for review: (1) whether for purposes of performing a BACT analysis, the Grain Line should have been considered separately from the Press Line; (2) whether the emissions limitation representing BACT for the Press Line should be based on the 95% control efficiency for the regenerative thermal oxidizer ("RTO") assumed in the permit, even though the manufacturer at one point proposed to guarantee a higher control efficiency; (3) whether the Region adequately considered the cost-effectiveness of using the existing RTO at the facility in combination with water-borne, low solvent coatings as BACT for the Grain Line; (4) whether the Region improperly excluded parts of the MPL process from its BACT analysis; (5) whether the Region improperly failed to conduct a BACT analysis for sources at the facility other than the MPL; (6) whether the Region should have required Masonite to do a full ambient air quality analysis for VOC emissions; (7) whether the addition of the MPL and other contemporaneous changes resulted in a significant net emissions increase in PM10 emissions, necessitating a BACT analysis for that pollutant; (8) whether the Region should have considered fugitive emissions from the handling of wood chips at the facility; and (9) whether alleged deficiencies in the permit require additional modifications of the permit.

Held: The Board concludes that: (1) It was appropriate for the Region to perform separate BACT analyses for the two different parts of the MPL process, because some of the technologies available for control of emissions from one part of the process are not available for control of emissions from the other part of the process; (2) The Region did not abuse its discretion when it based the emissions limitation representing BACT for the Press Line on an assumed control efficiency that was slightly lower than the control efficiency proposed to be guaranteed by the manufacturer, because among other reasons the application of the technology to Masonite's process is unproven; and (3) The Region's rejection of the option of using the existing RTO in conjunction with water-borne coatings in its BACT analysis for Grain Line VOC emissions was based on an inadequate cost-effectiveness determination and is therefore being remanded to the Region for reconsideration. Also being remanded to the Region for reconsideration are the following issues: (1) what emissions limitation is BACT for VOC emissions from the facility's dryer ovens; (2) whether fugitive emissions of PM10